

**CITY OF HAYWARD**  
**AGENDA REPORT**

AGENDA DATE 04/09/02

AGENDA ITEM 5

WORK SESSION ITEM           

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT:** Authorization for City Manager to Execute an Agreement for Professional Services with Economic & Planning Systems

**RECOMMENDATION:**

It is recommended that City Council adopt the attached resolution, which authorizes the City Manager to execute an Agreement for Professional Services with Economic & Planning Systems, and appropriates \$47,500 for this purpose.

**BACKGROUND:**

Nearly 11 acres of Airport property situated along Hesperian Boulevard are currently vacant. Additionally, pending the closure of the Festival Cinema, this parcel will add an additional 8.12 acres of Airport property for reuse and development.

In order to identify the best uses for the available property, as well as to target specific retail and commercial users, it is proposed to utilize the services of a consultant who specializes in the field of real estate and business development analysis.

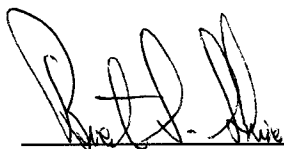
In late 2001, City staff circulated a Request for Proposals to prepare a Land Use Development Program ("Program"). Staff received written proposals from three consulting firms and conducted consultant interviews. The interview panel determined that the firm most capable of meeting the City's needs to complete the desired scope of services, is Economic & Planning Systems ("EPS") of Berkeley, CA. The EPS scope of the proposed services was the most comprehensive and responsive to the City's needs.

The consultant's work product will provide guidelines for optimizing the potential of vacant Airport properties. The study will document existing conditions and explore specific market opportunities such as retail uses, research and development and office uses, and aviation related uses. The consultant will then expand upon the findings of its economic overview to prepare a market analysis of the demand for and supply of these uses. Lastly, the study will identify potential tenants for parcels that are currently vacant or expected to be vacant, and will also include preliminary estimates of lease revenues, etc.

Completion of the basic elements of the Program is expected to cost \$40,000. However, additional funds in the amount of \$7,500, for follow-up work as may be determined necessary, and only when authorized by staff, are included in the overall project cost. The hourly rates proposed by EPS were similar to the rates in the other proposals reviewed. Staff believes that the negotiated cost of \$40,000 is reasonable for the scope of work. As development of this Program was not anticipated during preparation of the Airport's 2001-02 operating budget, an appropriation of \$47,500 will be necessary in order to execute this study.

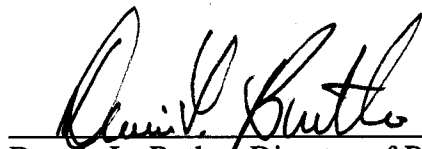
The Council's Airport Committee reviewed the scope of proposed services at its meeting of November 26, 2001.

Prepared by:



Brent S. Shiner, Airport Manager

Recommended by:



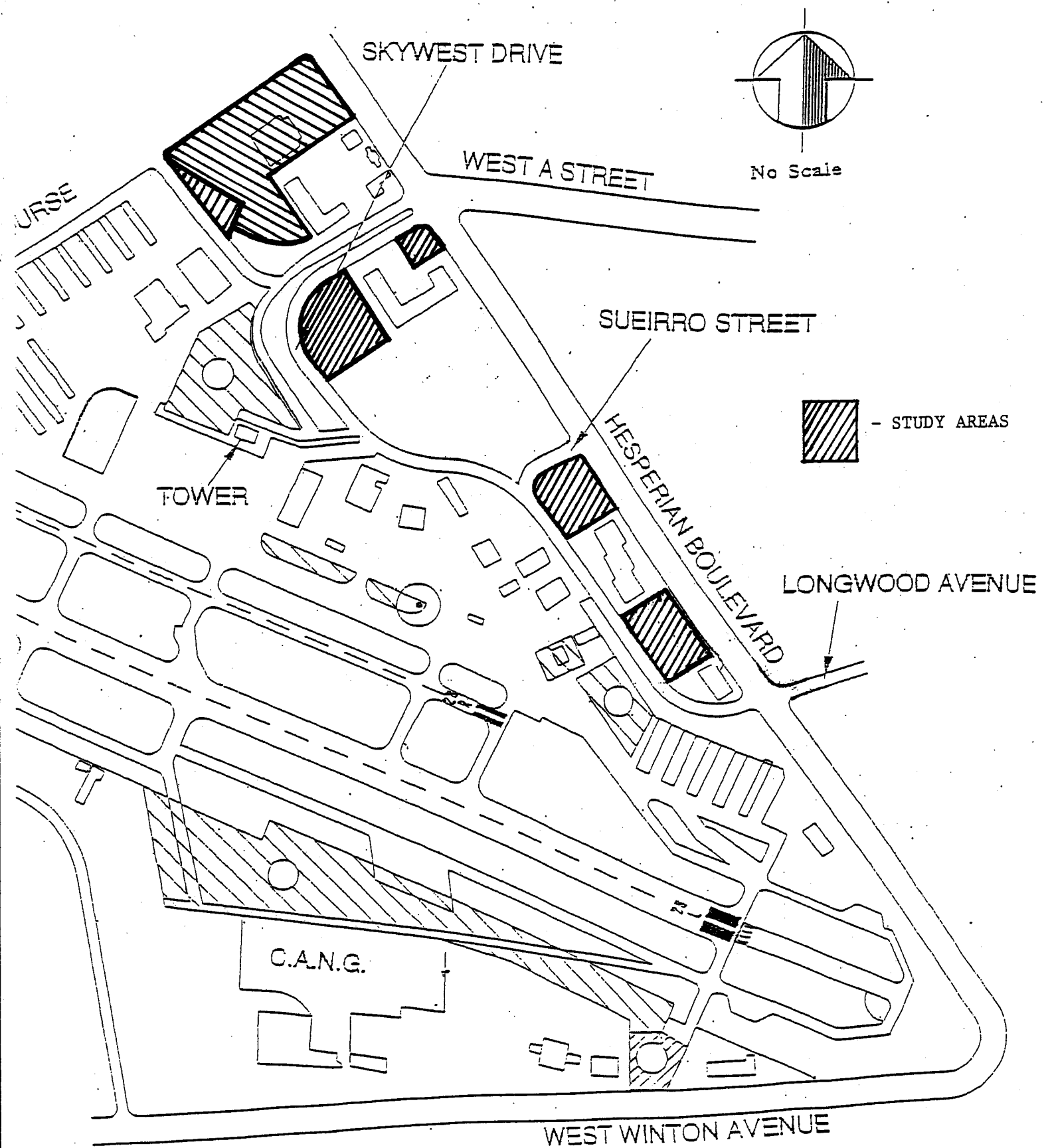
Dennis L. Butler, Director of Public Works

Approved by:



Jesús Armas, City Manager

Attachment: Exhibit A - Land Use Study Area



**EXHIBIT A**  
**LAND USE STUDY AREA**

HAYWARD CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_

Introduced by Council Member \_\_\_\_\_

*me*  
*4/14/02*

RESOLUTION AUTHORIZING THE CITY MANAGER TO  
EXECUTE AN AGREEMENT FOR PROFESSIONAL  
CONSULTANT SERVICES BETWEEN THE CITY OF  
HAYWARD AND ECONOMIC & PLANNING SYSTEMS

BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is hereby authorized and directed to negotiate and execute on behalf of the City of Hayward an agreement for professional consultant services with Economic & Planning Systems, in order to identify the best uses for the vacant property located on nearly 11 acres of Airport property situated along Hesperian Boulevard, in an amount not to exceed \$47,500, in a form to be approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2002

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward